



PDC NEWS

711 Capitol Way, Room 206
Olympia Washington

Public Disclosure Commission

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December 12, 2003

Volume 3 Issue No 7

Enforcement Matters

The Commission accepted a stipulated agreement between the **International Brotherhood of Electrical Workers Local Union 46** and PDC staff citing the union for multiple violations of the disclosure law and assessed a civil penalty of \$2,500 with \$2,000 of the penalty suspended provided there are no further violations of the Public Disclosure Law for five years. The violations included failing to timely file monthly contribution reports (L-3c) during 2001, 2002 and 2003, failing to include contributions on annual lobbyist employer's report (L-3) during 2001 and 2002; and failing to file special reports of contributions made within 21 days of the 2001 general election.

The Edmund T. Orcutt 2002 Campaign Committee stipulated to multiple violations of public disclosure law and agreed to a civil penalty of \$3,500 with \$1,000 suspended pending no future violations of disclosure law through the 2006 election cycle. The stipulated agreement included violations for failing to deposit contributions within five business days, failing to timely and accurately report all contributions and expenditures; and failing to file special reports of contributions received within 21 days of the 2002 general election.

The Public Disclosure Commission found three individuals in violation of state law for failing to timely file a Statement of Financial Affairs (PDC form F-1). The following individuals who violated state statute had a history of late or missing disclosure reports required by law.

Al Kiefer, candidate for Fire Commissioner in Whatcom County Fire Protection District 10, for violating RCW 42.17.240 by failing to timely file the Statement of Financial Affairs (PDC form F-1) within two weeks of becoming a candidate in the 2003 election. A civil penalty of \$1,000 was assessed by the Commission with \$500 suspended if all filings and penalties, including \$450 in past fines, are paid within 30 day of the final order.

James Stiebritz, Commissioner for the Port of Ilwaco, for violating RCW 42.17.240 by failing to timely file the Statement of Financial Affairs (PDC form F-1) by April 15, 2003, and by failing to timely file the Statement of Financial Affairs within two weeks of becoming a candidate in the 2003 election. A civil penalty of \$600 was assessed by the Commission.

Balisa Weber, School Director for the Conway School District, for violating RCW 42.17.240 by failing to timely file the Statement of Financial Affairs (PDC form F-1) by April 15, 2003, and by failing to timely file the Statement of Financial Affairs within two weeks of becoming a candidate in the 2003 election. A civil penalty of \$600 was assessed by the Commission.

Requests for Reconsideration

The Commission took no action to amend the results of brief enforcement hearings for 10 individuals who had requested a reconsideration of the hearings by the full Commission. The violation and civil penalties assessed at the brief enforcement hearings stand as ordered.

Trisha Bradley, candidate for School Director in the Cascade School District #228, found to have violated RCW 42.17.240 and .050 and assessed a penalty of \$300.

John Campbell, Candidate for School Director in the Steilacoom Historical School District #001, found to have violated RCW 42.17.240 and .050 assessed a penalty of \$300.

James Fatton, candidate for City Council in the City of Burien, found to have violated RCW 42.17.240 and .050 and assessed a penalty of \$300.

James Hill, City Council Member for the City of Elma, found to have violated RCW 42.17.240 and assessed a penalty of \$125.

Steve Hotchkiss, candidate for City Council in the City of Duvall, found to have violated RCW 42.17.240 and assessed a penalty of \$150.

Kraig Howard, Hospital Commissioner for the Klickitat Public Hospital District #2, found to have violated RCW 42.17.240 and assessed a penalty of \$500.

Joe Mitschelen, School Director for the Okanogan School District #105, found to have violated RCW 42.17.240 and assessed a penalty of \$100.

Kelly O'Brien, candidate for School Director in the Cascade School District #228, found to have violated RCW 42.17.050 and assessed a penalty of \$150.

Craig Roesler, candidate for School Director for the Sultan School District #311, found to have violated RCW 42.17.050 and assessed a penalty of \$200.

William Schmitt, School Director for the Lyle School District #406, found to have violated RCW 42.17.240 and assessed a penalty of \$100.

The Commission reduced the civil penalty by \$50 assessed to **Jesse Moss**, candidate for School Director in the Mary Walker School District #207, who was found to have violated RCW 42.17.240 at a September 10, 2003 hearing and was initially assessed a penalty of \$150. The Commission also vacated the enforcement orders against the following three individuals.

Ellen Clifton, initially found to have violated RCW 42.17.240 and assessed a penalty of \$150 at a hearing held on September 10, 2003.

Janice Latch, initially found to have violated RCW 42.17.240 and assessed a penalty of \$500 at a hearing held on June 12, 2003.

Cheryl Turner, initially found to have violated RCW 42.17.240 and assessed a penalty of \$150 at a hearing held on October 15, 2003.

Reporting Modifications

The Commission denied the request for an electronic filing exemption by **Jessica Greenway**, candidate for Kirkland City Council and granted reporting modifications to three candidates that ran in the 2003 election and one appointed State Official.

Nancy Whitten, candidate in 2003 for City Council in the City of Sammamish, requested an exemption from reporting the reportable business and other governmental customers of the Washington State Medical Association (WSMA), of which her spouse is a Trustee.

Darlene Hartley, candidate in 2003 for School Director in the Stanwood-Camano Island School District, requested an exemption from reporting the reportable business customers of Seattle Pacific University, where she serves as a trustee.

Richard Crocker, candidate in 2003 for City Council in the City of Wenatchee, requested an exemption from reporting the reportable information regarding the income, creditors, real estate and investments held by his wife, from whom he has lived separately for the past twelve years.

Dan O'Neal, Member, Washington State Transportation Commission, requested an exemption from reporting the reportable business and other governmental customers that have no significant connection to Washington State of Gunderson, Inc., a company of which he is a corporate officer.

The Commission also renewed a reporting modification for **Kirk Michels**, School Director, Grandview School District #105, who requested a renewal of an exemption from reporting the reportable business customers for the F-1 covering 2002 activities for Proebstel Michels CPA, an accounting firm of which he is 50% owner. The Commission amended the modification to require Michels to disclose reportable business customers who do business with the Grandview School District.

Rule Making

The Commission adopted the following rule amendments:

- Rule amendment to **WAC 390-16-050 Forms for contributions and expenditures of out-of state or federal political committees**. The amendments incorporate the legislative changes in House Bill 1294, approved by the legislature last session, which made a number of changes in the reporting requirements of out-of-state and federal political committees.
- Rule amendment to **WAC 390-19-030 Electronic filing – Reporting threshold**. The amendments reflect the new threshold level and establishes an additional benchmark for determining when a filer can reasonably “expect to expend” an amount equal to or more than \$10,000. On January 1, 2004, the threshold for mandatory electronic filing of campaign finance reports is lowered from \$25,000 to \$10,000 in expenditures.
- Rule amendment **WAC 390-16-037 Purpose of campaign expenditures – Reporting**. The rule amendment clarifies the existing rule by requiring detailed information and provides three examples of how the “purpose” of expenditure should be reported.
- Rule amendment **WAC 390-16-205 Expenditures by agents, employees – Reporting**. The rule amendment provides examples of how to break down expenditures by agents and employees.
- Rule amendment **WAC 390-16-041 Forms – Summary of total contributions and expenditures**. The rule amendment clarifies the requirement to provide a detailed break down of expenses on Schedules A and B to the C-4 Report.

The Commission also adopted new **WAC 390-17-105 Small contributors of twenty-five dollars or less**. The new rule implements the requirements of the permanent injunction enjoining the Commission from taking action to enforce RCW 42.17.680(4).

The Commission repealed **WAC 390-16-055 Forfeiture of contributions received from out-of-state or federal political committees**.

The Commission meeting materials may be found at www.pdc.wa.gov under **Commission Meetings at Meeting Agendas and Materials**. For additional information concerning these issues contact Doug Ellis, Director of Public Outreach, at (360) 664-2735, toll free 1-877-601-2828 or e-mail at dellis@pdc.wa.gov.